

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1855 - HB 2580**

February 7, 2016

**SUMMARY OF BILL:** Creates a new offense for theft of a firearm, which must be graded one classification higher than the value of the firearm, relative to valuation criteria for stolen property identified under the theft statutes.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$303,500/Incarceration\***

Assumptions:

- Under Tenn. Code Ann. § 39-14-103, the theft of a firearm, as defined in Tenn. Code Ann. § 39-11-106(a)(11), would constitute theft of property, and the firearm would be graded as property under Tenn. Code Ann. § 39-14-105.
- Under Tenn. Code Ann. § 39-14-105, a firearm with a value, as defined in Tenn. Code Ann. § 39-11-106(a)(36), of \$500 or less is graded as a Class A misdemeanor; a firearm with a value between \$500 and \$1,000 is graded as a Class E felony; and a firearm with a value between \$1,000 and \$10,000 is graded as a Class D felony.
- Though some firearms have a value in excess of \$10,000, it is assumed for purposes of this fiscal note that no firearms with a value of \$10,000 or more will be prosecuted under the provisions of the bill.
- The Tennessee Incident Based Report System (TIBRS) shows that 1,100 stolen firearms were recovered in 2014. It is assumed that one percent ( $1,100 \times 0.01 = 11$ ) of these will result in convictions and subsequent incarcerations.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. Population growth will account for one ( $11 \times .1178$ ) additional admission for a total of 12 ( $11 + 1$ ).
- Of these, it is assumed that six will result in a Class A misdemeanor being enhanced to a Class E felony, four will result in a Class E felony being enhanced to a Class D felony, and two will result in a Class D felony being enhanced to a Class C felony.
- The average time served for a Class E felony is 1.47 years, or 536.92 days. The bill will result in six offenders being enhanced from a Class A misdemeanor to a Class E felony and serving 1.47 years.

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- According to the Department of Correction (DOC), the average operating cost per offender per day for calendar year 2016 is \$67.73.
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on six offenders serving an 1.47 years (536.92 days) for a total of \$36,365.59 (\$67.73 x 536.92 days). The cost for six offenders is \$218,193.55 (\$36,365.59 x 6).
- The average time served for a Class D felony is 2.32 years, or 847.38 days. The bill will result in four offenders being enhanced from a Class E felony to a Class D felony and serving an additional 0.85 years (2.32 – 1.47), or 310.46 days.
- According to the DOC, 33.3 percent of offenders will re-offend within one year of their release. A recidivism discount of 33.3 percent has been applied to this estimate to account for the impact of offenders who would re-offend under current law within the additional time added by this bill. It is assumed that the re-offender would have committed the subsequent offense at the same felony level as under current law (4 offenders x .333 = 1 offender).
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on three offenders [4 offenders – 1 (recidivism discount)] serving an additional 0.85 years (310.46 days) for a total of \$21,027.46 (\$67.73 x 310.46 days). The cost for three offenders is \$63,082.37 (\$21,027.46 x 3).
- The average time served for a Class C felony is 2.32 years, or 847.38 days. The bill will result in two offenders being enhanced from a Class D felony to a Class C felony and serving an additional 0.9 years (3.22 – 2.32), or 328.73 days.
- According to the DOC, 33.3 percent of offenders will re-offend within one year of their release. A recidivism discount of 33.3 percent has been applied to this estimate to account for the impact of offenders who would re-offend under current law within the additional time added by this bill. It is assumed that the re-offender would have committed the subsequent offense at the same felony level as under current law (2 offenders x .333 = 1 offender).
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on one offender [2 offenders – 1 (recidivism discount)] serving an additional 0.9 years (328.73 days) for a total of \$22,264.88 (\$67.73 x 328.73 days).
- The total increase in incarceration costs is \$303,540.80 (\$218,193.55 + \$63,082.37 + \$22,264.88).
- The bill will result in six misdemeanor cases being prosecuted as felonies, and six felony cases being prosecuted one classification higher than would be under current law. It is assumed that the courts, district attorneys, and public defenders can handle any impact within their existing resources. The Administrative Office of the Courts and the District Attorneys General Conference confirm that they can handle any impact within their existing resources.

*\*Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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